

OVERSIGHT BOARD AGENDA STAFF REPORT

TO: Honorable Chair and Members of the Oversight Board

FROM: Francesca Tucker-Schuyler, Executive Director of Successor Agency

SUBJECT: Request that the Oversight Board consider approval the Successor Agency's Administrative Budget for the period from July 1, 2015 through December 31, 2015.

DATE: February 04, 2015

BACKGROUND

The Dissolution Law requires that the Successor Agency of the former City of Montebello Community Redevelopment Agency adopt and submit an Administrative Budget to the Oversight Board for review and approval for the six month period July 1 through December 31, 2015.

DISCUSSION

The Successor Agency's proposed Administrative Budget for the July 1 through December 31, 2015, payment period is attached to this report. The Successor Agency proposes to divide its administrative cost allowance (\$250,000 or 3% of RPTTF allocation, annually) between five (5) general areas: (1) Pension contributions to former RDA employees, (2) accounting costs for ROPS preparation / general administration, (3) payroll costs for economic development personnel; (4) indirect property maintenance costs; and (5) legal administrative costs.

RECOMMENDATION

It is staff's recommendation that the Oversight Board adopt the resolution approving the Administrative Budget for the period of July 1, 2015 to December 31, 2015.

ATTACHMENTS

1. Draft Administrative Budget
2. Oversight Board Resolution

City of Montebello Successor Agency
Administrative Budget
For the period July 1 - December 31, 2015

	Jul	Aug	Sep	Oct	Nov	Dec	Total
Accounting costs for ROPS							
Preparation and aother admin functions	4,167	4,167	4,167	4,167	4,167	4,167	25,000
Allocation of Payroll Cost for Economic Developmpment							
Perrsonnel	9,858	9,858	9,858	9,858	9,858	9,860	59,152
Indirect Property Mintenance Costs	1,625	1,625	1,625	1,625	1,625	1,625	9,750
Legal Administrative Costs	5,183	5,183	5,183	5,183	5,183	5,183	31,098
	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,835	\$ 125,000

Payment Source – Administrative Cost Allowance / RPTTF
Arrangements w/ City re Administrative Services – Successor Agency will utilize City staff / contracted professional service providers to provide administrative support as appropriate

OVERSIGHT BOARD RESOLUTION NO. _____

A RESOLUTION OF THE MONTEBELLO OVERSIGHT BOARD APPROVING AN ADMINISTRATIVE BUDGET FOR THE MONTEBELLO SUCCESSOR AGENCY FOR JULY 1, 2015, TO DECEMBER 31, 2015

WHEREAS, the former Community Redevelopment Agency of the City of Montebello (“Agency”) was a community redevelopment agency organized and existing under the California Redevelopment Law;

WHEREAS, the Agency was dissolved effective February 1, 2012, by way of Assembly Bill (“AB”) 1x26 (as subsequently amended by AB 1484, the “Dissolution Act”) and the California Supreme Court’s decision in *California Redevelopment Association v. Matosantos* (2011) 53 Cal.4th231;

WHEREAS, the Dissolution Act created a “successor agency” for each dissolved redevelopment agency, and charged them with completing various tasks and obligations geared towards “winding down” the affairs of their respective redevelopment agency;

WHEREAS, the Dissolution Act created an “oversight board” for each successor agency, and charged them with overseeing, reviewing, and approving enumerated successor agency actions;

WHEREAS, by resolution of the City Council, the City of Montebello serves as the successor agency to the dissolved Agency (“Successor Agency”) and the Montebello Oversight Board is the statutorily created oversight board of the Successor Agency (“Oversight Board”);

WHEREAS, the Dissolution Act requires the Successor Agency to prepare a proposed administrative budget for each six month period and submit it to the Oversight Board;

WHEREAS, the administrative budget is required to include estimated amounts for Successor Agency administrative costs, proposed sources of payment for such costs, and proposals for arrangements for administrative and operations services provided by a city; and

WHEREAS, the administrative budget is subject to review and approval by the Oversight Board, and thereafter by the California Department of Finance.

NOW THEREFORE, THE MONTEBELLO OVERSIGHT BOARD HEREBY FINDS, DECLARES AND RESOLVES AS FOLLOWS:

SECTION 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part hereof.

SECTION 2. The Oversight Board hereby approves the Successor Agency’s Budget as attached to this Resolution.

SECTION 3. The Oversight Board hereby authorizes and directs Successor Agency to submit the Administrative Budget to the California State Department of Finance for review, and to take such further actions with respect thereto as is required by the Dissolution Act.

SECTION 4. The Oversight Board Secretary shall certify to the passage and adoption of this resolution, which shall become effective immediately upon adoption

PASSED, APPROVED and ADOPTED this 4th day of February, 2015.

Richard Bruckner,
Chairperson

ATTEST:

Secretary to the Montebello Oversight Board

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the City of Montebello Oversight Board meeting held on the 4th day of February, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

VACANT: Chancellor of the Community Colleges Appointee

Secretary to the Montebello Oversight Board